## REMARKS

Claims 1, 3-4 and 7-11 are pending in the present application. Claim 8 has been amended to recite "at 25°C" for purposes of clarification and not to limit its scope. Support for this amendment can be found on page 14, lines 4-11 of the specification. This amendment does not introduce any new matter.

The rejection of Claim 8 under 35 USC § 112, second paragraph has been overcome by the above amendment which recites the temperature for the loss factor

Claims 1, 4 and 7-11 were rejected under 35 U.S. C. 102(b) as being anticipated by or, under 35 U.S. C. 103(a) as being obvious over WO 00/05275 to Elotex AG. Elotex AG does not anticipate and does not render obvious claims 1, 4 and 7-11. Elotex AG suggests a redispersible powder. However, nothing is described therein about the combination of the polymer having Tg of not more than 50°C and the polymer having Tg of more than 50°C. In addition, the organic fine particle of the present invention is specified as being a crosslinked substance. Elotex AG fails to disclose the combination of the emulsion having a Tg of 50°C or lower and the organic fine particle, which is a crosslinking substance and having a Tg of higher than 50°C. The present invention is achieved by optimization of the components of the paint composition, and shows superior results and unexpected advantages as compared to the prior art such that the occurrence of blisters is avoided along with exhibiting excellent thermal drying characteristics. Elotex AG does not disclose anything specifically with respect to the combination of the emulsion having a Tg of 50°C or lower and the organic fine particle, which is a crosslinking substance having a Tg of higher than 50°C, and does not focus on the importance of such aspect. Thus, the paint composition for thermal drying of the present invention is novel over Elotex AG and is not obvious there-over.

Claims 1, 3-4 and 7-11 were rejected under 35 U.S.C. 102(b) as being anticipated by or, under 35 U.S.C. 103(a) as being obvious over U.S. Patent 6,444,749 to Mestach. Mestach does not anticipate and does not render obvious claims 1, 4 and 7-11. Mestach suggests an aqueous dispersion of polymer particles having a functional group for crosslinking. The Tg of the particles at the center differs from that at the surface. Mestach suggests a polymer having different structural parts in one polymer obtained by a multi-step polymerization. However,

Mestach fails to disclose the combination of the 2 different polymers, one having a Tg of not more than 50°C and the other polymer having a Tg of more than 50°C.

The paint composition for thermal drying of the present invention comprises an emulsion having a specific Tg and organic fine particles having a specific Tg and specific diameter. Due to this, the composition shows superior results and unexpected advantages, as mentioned above. Mestach fails to disclose anything specifically with respect to the combination of the emulsion having a Tg of 50°C or lower and the organic fine particle, which is a crosslinking substance, having a Tg of higher than 50°C, nor does it focus on the importance of such aspect. Thus, the paint composition for thermal drying of the present invention is novel over Mestach and is not obvious there over.

Claims 1, 3-4 and 7-11 were rejected under 35 U.S.C. 103(a) as being obvious over Mestach in view of US Patent application publication 2004/0198917 A1 to Castner and Polymer Blends Handbook v.1, pages 427-447. The cited references do not render the above claims obvious. Usually, since in forming a thick film by thermal drying the emulsion, water content in a vet-to-be dried film is evaporated after the surface of the film is dried, blisters are generated. Thus, blisters are easier to occur as the film is thicker. But in the present invention, the composition contains organic fine particles which have specific particle diameters and do not melt or decompose during thermal drying of the paint composition. And it is considered that the above-mentioned organic fine particles keep the solid form in the film, and thereby water content in the film becomes easy to escape when the emulsion forms a film. This in turn protects the occurrence of blisters and improves the thermal drying characteristics. The composition of the present invention comprises (i) the emulsion which forms the film and (ii) the organic fine particles which keep the solid form in the film and help the escape of the water from the film. The paint composition for thermal drying of the present invention shows superior results and unexpected advantages due to the combination of (i) the emulsion and (ii) the organic fine particles. The cited references discuss the influence of the structure of the polymer which forms the film on the physical properties of the film. Namely, the cited reference describes the polymer which corresponds to above (i) of the emulsion in the present invention. However, nothing is described concerning the particle which corresponds to the above (ii) organic fine particle employed in the present invention.

Thus, the present invention is not obvious over U.S. 6,444,749 to Mestach, in view of US A1 to Castner US Patent application publication 2004/019891, and Polymer Blends Handbook v.1, pages 427-447

The cited references fail to anticipate the present invention. In particular, anticipation requires the disclosure, in a prior art reference, of each and every recitation as set forth in the claims. See Titanium Metals Corp. v. Banner, 227 USPQ 773 (Fed. Cir. 1985), Orthokinetics, Inc. v. Safety Travel Chairs, Inc., 1 USPQ2d 1081 (Fed. Cir. 1986), and Akzo N.V. v. U.S. International Trade Commissioner, 1 USPQ2d 1241 (Fed. Cir. 1986).

There must be no difference between the claimed invention and reference disclosure for an anticipation rejection under 35 U.S.C. 102. See Scripps Clinic and Research Foundation v. Genetech, Inc., 18 USPQ2d 1001 (CAFC 1991) and Studiengesellschaft Kohle GmbH v. Dart Industries, 220 USPQ 841 (CAFC 1984).

The mere fact that the cited art may be modified in the manner suggested in the Office Action does not make this modification obvious, unless the cited art suggest the desirability of the modification or well reasoned and articulated rationale. This not present in the present record. The Examiner's attention in kindly directed to *In re Lee* 61 USPQ2d 1430 (Fed. Cir. 2002), *In re Dembiczak et al.* 50 USPQ2d. 1614 (Fed. Cir. 1999), *In re Gordon*, 221 USPQ 1125 (Fed. Cir. 1984), *In re Laskowski*, 10 USPQ2d. 1397 (Fed. Cir. 1989) and *In re Fritch*, 23, USPQ2d. 1780 (Fed. Cir. 1992).

Also, the cited art lacks the necessary direction or incentive to those or ordinary skill in the art to render a rejection under 35 USC 103 sustainable. The cited art fails to provide the degree of predictability of success of achieving the properties attainable by the present invention needed to sustain a rejection under 35 USC 103. See KSR Int'l Co. v. Teleflex, Inc, 127 S.Ct. 1727; 82 USPQ2d 1385 (2007), Diversitech Corp. v. Century Steps, Inc. 7 USPQ2d 1315 (Fed. Cir. 1988), In re Mercier, 187 USPQ 774 (CCPA 1975) and In re Naylor, 152 USPQ 106 (CCPA 1966).

Moreover, the properties of the subject matter and improvements which are inherent in the claimed subject matter and disclosed in the specification are to be considered when evaluating the question of obviousness under 35 USC 103. See KSR Int'l Co. v. Teleflex, Inc, supra; Gillette Co. v. S.C. Johnson & Son, Inc., 16 USPQ2d. 1923 (Fed. Cir. 1990), In re

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Antonie, 195, USPO 6 (CCPA 1977), In re Estes, 164 USPO 519 (CCPA 1970), and In re Papesch, 137 USPO 43 (CCPA 1963).

No property can be ignored in determining patentability and comparing the claimed invention to the cited art. Along these lines, see In re Papesch, supra, In re Burt et al, 148 USPQ 548 (CCPA 1966), In re Ward, 141 USPQ 227 (CCPA 1964), and In re Cescon, 177 USPQ 264 (CCPA 1973).

Accordingly, the assertion that the present claims are unpatentable over Gutter et al is untenable, and is respectfully traversed.

In view of the above amendment, applicant believes the pending application is in condition for allowance.

In the event that the Examiner believes that an interview would serve to advance the prosecution of this application, the undersigned is available at the number noted below.

Please charge any fees due with this response to our Deposit Account No. 22-0185, under Order No. 21581-00318-US from which the undersigned is authorized to draw.

Dated: 9-26-07

Respectfully submitted,

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